

INCREASING THE PERFORMANCE OF THE ORGANIZATION THROUGH HUMAN RESOURCE MANAGEMENT IMPROVEMENT METHODS

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ABSTRACT

Since the human resource management is based on the interdependence between employees and the success of an organization, the last two decades have enriched the knowledge of the domain and defined the performance of an organization through numerous theories and case studies.

The literature has demonstrated, by providing relevant information, that the performance of an organization depends on its employees. As a result, numerous theories, practices and models have emerged and been implemented over the years.

As a result, numerous theories, practices and models have emerged and been implemented over the years to find efficient and effective solutions for creating human resources capable of helping to increase performance.

Regardless of the form of organization and concept, all organizations have a goal to achieve and maintain, and even improve.

In this article, definitions related to human resource management and organizational performance will be found along with their defining aspects.

Also, this paper will provide a simple, surface analysis of two organizations through the lens of human resource management approached by each.

KEYWORDS: *Human resource management, Performance, Achieving performance.*

1. INTRODUCTION

The operational model of <<continuous improvements>> helps ensure virtuous growth in the organization towards performance and maintaining effective levels of control.

In short, it is about doing everything we do in the best possible way, reducing waste and errors.

Organizational performance means that the actual outcome or outcomes of an organization are measured against intended outcomes (or goals and objectives).

Since we don't know exactly how colleagues work, we may make difficult requests or have expectations that differ greatly from reality.

The first step is always brainstorming: all the people in a team/ department have to sit together and think about the daily activities: what are the tasks assigned to each one? What are the recurrent activities? And what about the rare ones? Who is the authority that monitors the progress of the work? Tasks accomplishment? How do you know if the time spent on an activity is adequate/ excessive/ insufficient?

From the statement above, the central pillar is communication, communication across all hierarchical levels of an organization. As a result, everyone's opinion must be sought and heard.

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The second step is to clearly include the process by which a certain job must be done, the timing and how these vary with the varying amount of work. This brainstorming and information writing need to be done for each activity.

The main reasons to study human resource management improvement methods is to reveal the extent to which it influences the workplace behaviour and what specifically can be improved to increase the performance of the organization.

2. HUMAN RESOURCES MANAGEMENT (HRM)

In the last two decades, human resource management has been in full development, because the engine of an organization is its employees. As a result, numerous theories have emerged around career management, performance, human resources promotion, personnel selection, evaluation and ways of controlling them.

Frederick Taylor wrote a book entitled 'The Principles of Scientific Management', a piece of work that marked the beginning of the management movement. The paper states that: "The main object of management should be to secure maximum prosperity for the employer, along with maximum prosperity for each employee." Taylor believed that applying the techniques used by management scientists to test the skills of employees would bring a major boost to achieving efficiency.

In 2002, Guests stated that the impact of HRM on performance depends on the worker's response to its practices; as a result, the impact will shift towards the perception of HRM practices by employees. Ways to improve human resources management begin before employment, namely when we finalize the personnel selection plan. The set of processes for selecting a candidate must be complete, complex, even these processes must be thought out in such a way as to meet the ultimate requirements of the organization.

However, we must not eliminate the potential of a candidate, due to certain reasons, such as lack of experience. The motto of an organization must be evolution. To reinforce this point, I add the remarks of Bratton and Gold (2003, 2007) who consider that the strategic approach to managing labour relations, which supports the exploitation of people's capabilities, is the definition of human resource management. Adherence to this principle is essential to achieve a sustainable competitive advantage and it can be achieved through a set of policies, programs and integrated employment practices.

Right from the start, the organization must have a professional development plan for its employees. It is believed that the organization must have as its objective the creation of efficient employees, since the efficient ones are already taken, and continuity must exist. In addition, in this way, the organization can build their loyalty and make it much easier for them to respond to the organization's requirements and needs.

A more and more frequent problem emerges after the evaluation of human resources.

More and more organizations give up employees after they find errors in the work performed, missed deadlines, low efficiency and effectiveness. These problems usually have in common the lack of vertical communication, or a faulty communication, in case it exists.

2.1. Methodology

This article is a study of the interdependence between the performance of an organization and the methods of improving the management of human resources.

This article is based on previous works regarding the main concepts of this study: the actions and procedures that must be implemented to achieve the expected performance, the main obstacles in reaching it, employee expectations, the most frequently encountered management mistakes.

The purpose of this paper is to identify and understand the main management errors when it comes to the human resources of an organization and how they prevent the organization from achieving performance.

Also, the article will include the thread of interdependence between good management and increasing the performance of an organization.

In order to fulfil the above - mentioned purpose, this work will be based on the comparison between two organizations that have the same goals but they have different visions regarding the management of human resources. The information that made the comparison and analysis of the two organizations possible was provided by 2 employees from each location, with different functions in the organization.

2.2 Theories of organizational performance

As specified above, many theories have taken shape around human resource management, and Richard's work strengthens this idea- systematic literature review of 213 studies published in reputed journals over a period of only three years (2006-2009) revealed 207 different measures used for assessing performance (Richard et al., 2009)

To understand the present, we must take a look at the past. For this, we go back 60 years in the past when Etzioni offered one of the simplest and clearest definitions of organizational performance describing it in terms of growth and survival of the firm.

The same terms can be found in 1993 in Chandler and Hanks writings (1993), who add that to be about performance, the organization must achieve its goals and continue to improve them.

According to Louise James, a Senior Manager at Pitcher Partners, organizational performance refers to how well an organized group of people with a specific purpose accomplishes a function and considers at its heart; that is what we are talking about when we mention achieving successful outcomes and organizational performance.

Melville et al. (2004) consider that the performance of an organization denotes overall IT-enabled company performance, including productivity, efficiency, profitability, market value and competitive advantage.

According to Brimhall, (2019), the tangible result of an organization, measured in relation to the projected return related to the product market performance, financial performance and shareholder return, reflects the organizational performance.

Most of these theories have in common factors such as personal interests, attitudes, social status, skills, the labour market and personality characteristics. These are the main problems that influence the career and should be main objectives for employers when making decisions or opting for organizational changes.

We will also touch upon the benefits of individual level performance and team level performance, as this is an issue that raises many questions and other contemporaries have written about it lately: <<At the individual level, task performance, contextual performance, adaptive performance, and counterproductive work behaviour are the main dimensions identified in an exhaustive search of medical, psychological and management studies (Koopmans et al., 2011).>>; << For teams level organizational performance too completion of a task is an important measure >> (DeChurch and Mesmer-Magnus, 2010).

2.3 The Importance of Human Resources Management in Achieving Performance

The diagram below can be a synthesis to understanding the interdependence between performance and human resources management, classifying its functions. If all the elements at the base of the pyramid are fulfilled, the performance has a high chance of occurring.

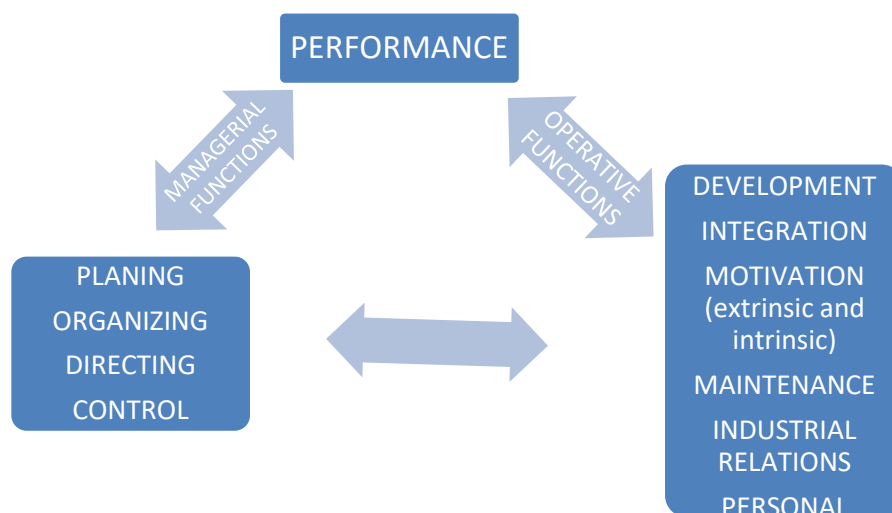


Figure 1 Functions of HRM

Source: adapted from HRM functions

The performance is supported by the balance between managerial and operative functions. In the article "The strategic role of human resources", Rene Domingo (2003) demonstrated that an effective strategic human resource is as decisive as the company's marketing strategy, therefore human resource development should have several strategic roles.

Having the mentions of Domingo (2003), this emphasizes the theories according to which the human resource is the engine of an organization. Thus, without efficient employees (which can only be obtained if the management is also efficient) the organization cannot achieve performance, maintain or even develop it.

HRM contributes to the creation of added value by training people with the necessary skills and levels of motivation that can create an environment that stimulates quality performance.

Visions, values, goals and their implementation in the organization's culture is the value added by employees at different levels in the organization.

The added value will be obtained by motivating and correctly managing the employees, which will lead to employee loyalty and maintaining stable relationships in all the organization's structures.

Competitive advantage is another important element that leads to performance. According to Wright et al. (2001) knowledge and skills of employees can lead to competitive advantage, which will play an important role in achieving long-term performance.

An interesting analysis of the problem is that of Tseng and Lee (2009) who used a mathematical approach using Data Envelopment Analysis / Analytical Hierarchical Process (DEA/AHP) and demonstrated that activities such as hiring, training, motivating and involving employees in organizational decision making have a positive impact on organizational performance

3. TWO ORGANIZATIONS WITH THE SAME GOAL BUT DIFFERENT APPROACHES

The two organizations have a relatively equal number of staff, are structured identically, and have the same form of organization.

In order to clarify from the beginning the differences between these two organizations regarding the management of human resources, the most visible and interesting aspects regarding this study will be included in this paragraph.

The type of function of the first organization (A) is based on routine function, and the other (B) on strategic function. Regarding communication, A communicates indirectly while B approaches direct communication at all structural levels of the organization.

Also, relevant aspects are related to the management actions and the decision- making process.

The main aspect that the two organizations have in common, relevant to this paper, is recruitment. Both recruit well-trained people.

The differences related to human resource management appear after recruitment. The employees of organization A are treated as components of the company (work force), while those of B are treated as economic, social and psychological entities.

To elaborate, we will add the fact that employees from A are not asked for their opinion on different aspects, therefore they do not take part in making any decisions, while those from B are recognized as the most important resource in the organization, their wishes and complaints being listened to, and they do not lack a multitude of facilities.

Table 1. Comparative aspects between organizations

ASPECTS TO COMPARE	A	B
Management	Procedures	Organization's needs
Decision	Slow	Fast
Type of function	Indirect	Direct
Treatment of employees	Tools	Resource (the most important)

An effective Human Resources Management must aim to build, maintain and improve the relationship between an organization and its employees. The HRM vision must help build careers for employees, finding solutions to solving problems that arise within an organization, from employees to management.

Organization A recognizes HRM as a basic process, but the interviewees assert that their department has too strong a technical focus, where communication exists only vertically, and is not encouraged and, therefore, the functions and principles of HRM are not applied.

The technical aspect is given by the application of procedures in the execution of tasks and also whenever faced with a problem.

When it came to the organization's performance (official data), based on the supplied answer, we received confirmation that an effective human resources management is interdependent with the organization's performance.

Performance management is the process by which a motivational environment is implemented in the organization and is related to human resource management. As a result, the discussion about the performance management tools used by the 2 organizations could not be missed.

In order to receive answers as detailed as possible, we mentioned four performance management tools. The answers received allowed us to understand if this process exists in that organization, how it is put into practice and if it is relevant.

The first tool is the Performance Appraisal, which, when used correctly, can identify if the individual's goals are also those of the organization. This method is applied in both organizations, but the employee in organization B mention that the emphasis is on continuous feedback and training, not on the appraisal that is done once a year.

The second tool we discussed was Feedback. The employee in organization A told us that feedback existed in his organization and was dedicated to customers and superiors.

In addition to organization A, organization B also includes colleagues, thus making it a 360-degree feedback, which makes this tool complex, the results of which are much more relevant in detecting problems that they may face an employee.

The next performance management tool - the Personal Development Plan. From the responses and attitudes of the two employees, it emerged that this tool is not only widely used in both organizations, but actions have also been taken, the most important being the organization of various types of trainings and personal development courses.

The last tool we reviewed for our employees was the Reward and Recognition Program

When asked about it, employee A said that such a program was out of in his organization, but rather a social recognition, while employee B confirmed the existence of a plan, which they periodically evaluated through a questionnaire, thus the feedback about the reward and recognition plan is reviewed by management. In addition to mentioning verbal appreciation, he also specified monetary recognition such as bonuses

These being the answers obtained, we can add to the conclusions the fact that organization B, which according to official data, has a higher performance degree than organization A, uses performance management tools at a complex level.

It is well known that an organization must follow performance management as it helps the organization to produce a skilled and efficient workforce.

4. CONCLUSION

Taking into account the organizational structure which is identical, approximately the same number of employees, the similarity of the services provided, the same geographical space, the differences in profit and the average sales may be relevant elements for our article, considering the different approach to human resources management.

Organization A has a lower score, being the organization that includes the interviewees who presented negative aspects related to actions and attitudes related to human resource management.

Given the aforementioned theories related to organizational performance, taken from the specialized literature, this can only be achieved after obtaining a group of well-trained employees. As long as the management does not consider the human resource as the most important element in the organization, communication will not be effective, the problems will not be fully known, nor the source where they come from. These elements will prevent the achievement of performance, and if it exists, it will not be able to be maintained.

If we return to Figure 1, in the pillar of the pyramid we will find motivation, development and integration. These three are closely related to long-term human resource management, as they must be continuously monitored and maintained throughout the life of the organization. Also, these elements are mentioned and developed by numerous theorists due to the importance they have in achieving and maintaining the performance.

In order to move these elements from theory to practice, we observe that in table one, the treatment of employees by the organization that obtained a higher score are perceived and treated as the most important resource available to the respective workplace.

Having a short case study, in which the important and defining elements of human resources management were put under analysis, together with the theoretical part, obtained by transposing the specialized literature, we can observe that when the important points from the theory are correctly implemented, performance is achieved.

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